From: John Ziriax

To: Microsoft ATR

Date: 12/1/01 5:46pm

Subject: Controlling Microsoft

Microsoft (MS) is a monopoly. What's more is, it is a predatory monopoly. To me that means that rather than inovate, it copies small companies' successes and gradually forces those companies out of business by the strength of their monopolistic position. MS has done this so many times that this behavior must be regulated. It cannot be allow to use its dominate operating system position to promote its other products and punish its rivals as it has in the past and continues to do today.

Capitalism can only work if everyone is given a 'chance'. MS is in a position to deny other even well-funded companies a 'chance'. This stifels inovation and eliminates any competition which would preasure MS to improve its products.

It is worth noting that one of the biggest theats acknowledged by MS is Open Source software. This is largely because there is not viable business competitor left.

Part of the reason for this is the MS's aggressive behavior and but also the nature of the software business. In software, as in previous monopolistic enterprises, standards are critical. Once a given operating system, word processor or spreadsheet is the de facto standard, the owner of that standard can use that position as a weapon against all competitors. MS has done this repeatedly. That's why the most usefule standards, like the ones that power the Internet are not owned by anyone company.

Even in the case of established standards, however; MS has at first adopted, then added proprietary extensions to existing standards, then having polluted the environment, MS drops the now useless standard in favor of its own proprietary standard. This MS tactic is so well know that it has been named "Embrace, Extend, Extinguish."

Another tactic, is called "Fear Uncertainty and Dread" or simply FUD. FUD is when Microsoft announces that use of a competitors products with be incompatible with future MS products. This announcement alone is enough chill the market.

I believe that MS is so powerful at this point that only severe government action has any hope of leveling the playing field. I don't think creating multiple MSs split along lines of business would be and advantage. Three companies from Windows NT/2000 and Windows 98 and Windows XP would create real competition. And so on.

Another possible solution it for the government to force the development of public standards for certain file formats, such as word processing and

spreadsheets. This would rob MS of much of its monopolist power.

One thing the government can do is to modify its own purchasing practices. That is. Don't standardize on Microsoft to the exclusion of all else. The government is such a large customer that if the government were to adopt a variety of office suites and operating sytems and insist that they work together. Then they would. However, if it encourages monopolistic practices by buying and supporting only one company's products, a Microsoft monopoly is almost certain to continue.

Finally, whatever regulations are implemented care must be taken not to discourage one of the most innovative sources of software in existance today. Open Source. This is truely a free speech issue which MS would love to destroy.

Thank you for giving me this opportunity to comment.

John

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